



FEDERAL ELECTION COMMISSION

WASHINGTON, D C 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

SEP 20 2006

Beverly Sheldon, Treasurer
Christian Voter Project
100 S. Anaheim Blvd.
Suite 350
Anaheim, CA 92805

RE: MUR 5809

Dear Ms. Sheldon:

In the normal course of carrying out its supervisory responsibilities, the Federal Election Commission (the "Commission") became aware of information suggesting the Christian Voter Project ("Committee") and you, in your official capacity as treasurer, may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). On September 12, 2006, the Commission found reason to believe that the Committee and you, in your official capacity as treasurer, violated 2 U.S.C. §§ 434(g)(2)(A), 434(g)(1)(A), 434(b)(4) and 434(b)(6), provisions of the Act, and 11 C.F.R. § 104.4(b) and (c). Enclosed is the Factual and Legal Analysis that sets forth the basis for the Commission's determination.

We have also enclosed a brief description of the Commission's procedures for handling possible violations of the Act. In addition, please note that you have a legal obligation to preserve all documents, records and materials relating to this matter until such time as you are notified that the Commission has closed its file in this matter. See 18 U.S.C. § 1519. In the meantime, this matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

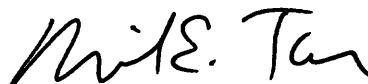
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If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed Designation of Counsel form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

We look forward to your response.

Sincerely,



Michael E. Toner
Chairman

Enclosures
Factual and Legal Analysis

**FEDERAL ELECTION COMMISSION
FACTUAL AND LEGAL ANALYSIS**

RESPONDENTS: Christian Voter Project and Beverly Sheldon, MUR 5809
in her official capacity as treasurer

I. INTRODUCTION

This matter originated with information ascertained by the Commission in the ordinary course of its supervisory responsibilities. For the reasons set forth below, there is reason to believe that the Committee failed to file 24-Hour and 48-Hour Notices as required by the Act, and that it failed to disclose additional disbursements and dates of dissemination for independent expenditures.

II. FACTUAL AND LEGAL ANALYSIS

A. Failure to File 48-Hour and 24-Hour Notices

Under 2 U.S.C. § 434(g)(2)(A), a political committee that makes independent expenditures “aggregating \$10,000 or more at any time up to and including the 20th day before the date of an election shall file a report describing the expenditures within 48 hours.” The political committee must ensure that the Commission receives such reports by the end of the second day “following the date on which a communication that constitutes an independent expenditure is publicly distributed or otherwise publicly disseminated.” 11 C.F.R. § 104.4(b)(2).

The Committee’s Amended 2004 April Quarterly Report indicated that it failed to file four 48-Hour Notices concerning eight general election independent expenditures totaling \$97,473.10. The Committee’s Amended 2004 July Quarterly Report showed that the Committee failed to file two 48-Hour Notices concerning nine general election independent expenditures totaling \$52,761.50. The Committee also failed to file five such notices to support seventeen general election independent expenditures totaling \$94,879.13 on the Amended October Quarterly Report.

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Under 2 U.S.C. § 434(g)(1)(A), a political committee that makes independent expenditures “aggregating \$1,000 or more after the 20th day, but more than 24 hours, before the date of an election shall file a report describing the expenditures within 24 hours.” The political committee must ensure that the Commission receives such reports by the end of the day “following the date on which a communication that constitutes an independent expenditure is publicly distributed or otherwise publicly disseminated.” 11 C.F.R. § 104.4(c).

The Committee’s Amended 2004 30-Day Post General Report showed that it failed to file five 24-Hour notices concerning eleven general election independent expenditures totaling \$49,023.87.

B. Failure to Disclose Disbursements

Pursuant to 2 U.S.C. § 434(b)(4), political committees are required to disclose “expenditures to meet . . . committee operating expenses” as well as “independent expenditures.” *See also* 11 C.F.R. § 104.3(b)(1)(i), (vii). The Committee filed an Amended 2004 April Quarterly Report disclosing \$104,887.05 in independent expenditures, compared to \$0 on its original report. An Amended 2005 Mid-Year Report disclosed a total of \$78,792.30 in additional disbursements, comprised of \$58,656.74 in operating expenses (compared to \$0 on the original report) and \$20,135.56 in independent expenditures (compared to \$0 on the original report).

C. Failure to Report Dates of Dissemination for Independent Expenditures

Pursuant to 2 U.S.C. § 434(b)(6)(B)(iii), political committees must disclose the date of independent expenditures. *See also* 11 C.F.R. § 104.3(b)(3)(vii)(A). In an Amended April Quarterly Report, covering the period from January 1, 2004 to March 31, 2004, the Committee omitted dissemination dates for independent expenditures of \$50,906.52 reported as a debt during this period. Corresponding payments for the debt were disclosed as Schedule E entries on later

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1 reports. In an Amended 2004 October Quarterly Report, covering the period from July 1, 2004 to
2 September 30, 2004, the Committee omitted dissemination dates for independent expenditures of
3 \$2,500 reported as a debt during this period. Corresponding payments for the debt were disclosed
4 as Schedule E entries on an Amended 2005 Mid-Year Report. Finally, in an Amended 30-Day
5 Post-General Report, covering the period from October 2, 2004 to November 22, 2004, the
6 Committee omitted dissemination dates for independent expenditures of \$17,635.56 reported as a
7 debt during this period. Corresponding payments were disclosed as Schedule E entries on the
8 Amended 2005 Mid Year Report.

9 **D. Conclusion**

10 Based on the above, there is reason to believe that the Christian Voter Project and Beverly
11 Sheldon, in her official capacity as treasurer, violated 2 U.S.C. § 434(g)(2)(A) and 11 C.F.R.
12 § 104.4(b) by failing to file 48-Hour Notices; 2 U.S.C. § 434(g)(1)(A) and 11 C.F.R. § 104.4(c) by
13 failing to file 24-Hour Notices, 2 U.S.C. § 434(b)(4) by failing to report additional disbursements
14 and 2 U.S.C. § 434(b)(6) by failing to disclose the dates of independent expenditures.

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